



GOVERNOR'S OFFICE OF
DIVERSITY BUSINESS ENTERPRISE

ANNUAL REPORT

FISCAL YEAR 2008 - 2009



312 ROSA L. PARKS AVENUE
WILLIAM R. SNODGRASS BUILDING / TENNESSEE TOWER
27TH FLOOR
NASHVILLE, TENNESSEE 37243



STATE OF TENNESSEE
EXECUTIVE ORDER
BY THE GOVERNOR
NO. 14

AN ORDER REGARDING DIVERSITY IN STATE CONTRACTING AND PROCUREMENT

WHEREAS, building and maintaining a strong, vibrant economy is critical to the future of this great state; and

WHEREAS, securing the economic health and vitality of this state in the 21st century demands that the State of Tennessee expand economic opportunity to all of its citizens and businesses; and

WHEREAS, throughout the history of this state and nation, some minority and other protected groups have suffered grave injustice from the effects of economic discrimination. Even today some groups continue to struggle for an equal opportunity to earn a living and to take full advantage of economic opportunities; and

WHEREAS, this Administration is firmly committed to the principle of expanding economic opportunities to all Tennesseans. This commitment is evidenced in part by Executive Order No. 13, signed on October 9, 2003, detailing this state's commitment to equal and fair employment opportunities within state government; and

WHEREAS, another key element of expanding economic opportunities to all Tennesseans lies in providing opportunities for small businesses and businesses owned by minorities and women to grow and succeed. This Administration fully recognizes that it is in a unique position to serve as a role model for all businesses throughout Tennessee in contracting and doing business with small businesses and businesses owned by minorities and women; and

WHEREAS, the State of Tennessee currently attempts to provide a variety of services and resources to assist these businesses both in general growth and development and in specific efforts to secure state contracting and procurement opportunities. While many departments and agencies are working toward this common goal, there is currently no centralized organization to coordinate and focus the work of those departments and agencies; and

WHEREAS, it is clearly in the best interest of this state to ensure that small businesses and businesses owned by minorities and women are given the resources needed to grow into economically sound entities that are afforded the opportunity to compete successfully for the State of Tennessee's expenditures for goods and services.

NOW THEREFORE, I, Phil Bredesen, Governor of the State of Tennessee, by virtue of the power and authority vested in me by the Constitution and laws of this state, do hereby order and direct that:

1. It is the unwavering policy of this state to expand economic opportunities, both inside and outside state government, for small businesses and businesses owned by minorities and women. A primary component of this effort will be to expand opportunities for these businesses to compete successfully for the state's expenditures for goods and services. The success of this endeavor depends upon the unqualified, enthusiastic participation and commitment from every employee of state government. To this end, all Executive Branch departments, agencies, boards and commissions and any other divisions of the Executive Branch of state government shall fully cooperate to accomplish both the general and specific objectives of this Executive Order.

2. There is hereby created the Governor's Office of Diversity Business Enterprise. This office is charged with coordinating and directing the Executive Branch's efforts in assisting small businesses and businesses owned by minorities and women to develop into viable, successful businesses. This work shall specifically include assisting these businesses to compete successfully for the State of Tennessee's expenditures for goods and services. In fulfilling its charge, the Governor's Office of Diversity Business Enterprise is directed to work with all existing state agencies and offices, specifically including the Office of Business Enterprise within the Department of Economic and Community Development.

3. The Governor's Office of Diversity Business Enterprise is directed to thoroughly review current state laws governing state contracting and procurement opportunities for small businesses and minority and women owned businesses and recommend to the Governor any needed changes to existing laws and any needed additional legislation.

4. All Executive Branch departments, agencies, boards and commissions and any other divisions of the Executive Branch of state government shall fully cooperate with the Governor's Office of Diversity Business Enterprise and shall provide staff support and any other assistance as requested. This cooperation specifically includes, but is not limited to, establishing annual departmental or agency level internal goals for small business and minority and women owned business contracting. In establishing these annual goals, each department and agency shall work closely with the Governor's Office of Diversity Business Enterprise.

5. The Governor's Office of Diversity Business Enterprise shall be under the direction of the Commissioner of General Services. As Director of the Governor's Office of Diversity Business Enterprise, the Commissioner of General Services shall appoint a Diversity Business Program Director. This individual will work closely with the five major procurement entities within state government in order to ensure an optimal level of small business and minority and women owned business contracting. These five major procurement entities include the Department of Economic and Community Development, the Department of Finance and Administration, the Department of General Services, the Department of Transportation and the State Building Commission.

6. The Governor's Office of Diversity Business Enterprise shall be attached to the Department of General Services for administrative purposes.

7. This Executive Order supersedes and rescinds any and all executive orders and implementing directives and memoranda on the same subject.

IN WITNESS WHEREOF, I have subscribed my signature and caused the Great Seal of the State of Tennessee to be affixed this 8th day of December, 2003.

Phil Bredesen
GOVERNOR

Riley C. Donnell
SECRETARY OF STATE



STATE OF TENNESSEE
DEPARTMENT OF GENERAL SERVICES

GWENDOLYN SIMS DAVIS
COMMISSIONER

PHIL BREDESEN
GOVERNOR

December 31, 2009

The Honorable Phil Bredesen
Governor of Tennessee
First Floor State Capital
Nashville, TN 37243

Dear Governor Bredesen:

In April 2004, the General Assembly passed the "*Tennessee Minority Owned, Woman Owned and Small Business Procurement and Contracting Act*". The new Act designates the Governor's Office of Diversity Business Enterprise as the central point of contact for assisting minority owned, woman owned and small businesses under Tennessee Code Annotated §12-3-801 through 808 et. sq.

The Governor's Office of Diversity Business Enterprise is committed to maximizing opportunities for minority, women owned and small business enterprises. In August 2007 the Governor's Office of Diversity Business Enterprise, under the department of General Services contracted with consultant Griffin & Strong, P.C. to conduct a Comprehensive Disparity Study. The scope of the study was to address the procurement practices of agencies in state government operating under the Executive Branch relating to the purchase of goods and services, professional and personal services and construction projects.

The study included all state contract activity except federally funded bridge and highway construction for all executive branch departments except for the department of Transportation during the period July 1, 2002 thru June 30, 2007.

Griffin & Strong, P.C. has evaluated and concluded Phase 1 and 2 of the Comprehensive Disparity Study and delivered an Executive Summary of its findings and recommendation. Contained within this year's annual report on purchases and contract awards, is a summary of the findings and recommendations from the disparity study.

In accordance with T.C.A. §12-3-801 through 808 the Commissioner of General Services is directed to make an annual report to the Governor and the General Assembly regarding state procurements and contracts awarded to minority owned, woman owned and small businesses.

Presented herein is the annual report on purchases and contract awards for Fiscal Year 2008-09.

Sincerely,

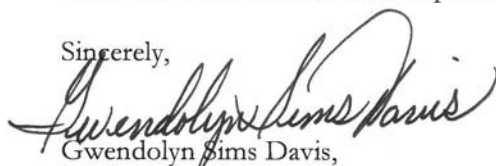

Gwendolyn Sims Davis,
Commissioner



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EXECUTIVE SUMMARY

Mission Statement

To coordinate the state's efforts to facilitate greater participation by minority owned, woman owned and small businesses in the state's procurement and contracting opportunities. The Office works closely with the five major procurement entities; the Departments of Economic and Community Development, Finance & Administration, General Services, Transportation and the State Building Commission to ensure an optimal level of participation by diversity businesses in state contracting.

History

Previous programs to assist minority owned, woman owned and small businesses, desiring to do business with state departments and agencies, did little to increase participation in state procurement and contracting opportunities. The maze of varied and decentralized procurement processes continued to be complicated, confusing and discouraging to diversity businesses. Governor Bredesen recognized that the state of Tennessee must do more to ensure that diversity businesses are given a fair and equal opportunity to participate in the state's procurement of goods and services. That strong commitment to diversity businesses resulted in the appointment of a cabinet level team, led by the Commissioner of General Services, to conduct a comprehensive review of the state's procurement and contracting processes and to make recommendations to the Governor for statewide initiatives to stimulate increased participation by minority owned, woman owned and small businesses. The team recognized the need for a single entity to coordinate recommended initiatives and developed a strategic plan to link the state's major procuring departments through creation of the Governor's Office of Diversity Business Enterprise.

Executive Order

Creation of the Governor's Office of Diversity Business Enterprise

The Governor's Office of Diversity Business Enterprise (Go-DBE) was created by Executive Order Number 14, on December 8, 2003, in an effort to expand economic opportunities for small businesses and businesses owned by minorities and women. This office is charged with coordinating and directing the Executive Branch's efforts to increase participation by small businesses and businesses owned by minorities and women in the state's procurement and contracting opportunities. The Office works with all state departments and agencies, including the Department of Economic and Community Development to assist these businesses in successfully competing for the state of Tennessee's expenditures for goods and services. The Office is the central point of contact for small businesses and businesses owned by minorities and women, desiring to participate in state procurement and contracting of goods and services.





EXECUTIVE SUMMARY

Authority

The Governor's Office of Diversity was codified in 2004 upon passage of the "Tennessee Minority Owned, Woman Owned and Small Business Procurement and Contracting Act." Tennessee Code Annotated 12-3-801 through 808 requires the Governor's Office of Diversity Business Enterprise to:

- Compile and maintain a comprehensive list of minority owned, woman owned and small businesses to provide potential sources for various goods and services.
- Assist minority owned, woman owned and small businesses in complying with state procurement and contracting procedures and requirements.
- Examine requests from state agencies for the purchase of materials, supplies, equipment or services to help determine which invitations to bid and requests for proposals may offer increased opportunities for minority owned, woman owned and small businesses; and
- Make recommendations to appropriate state agencies for the simplification of procurement and contract specifications and terms in order to increase the opportunities of participation by minority owned, woman owned and small businesses.

All departments, agencies, boards and commissions are required to fully cooperate with the Governor's Office of Diversity Business Enterprise to provide information regarding upcoming procurement opportunities, make periodic reports on diversity business participation and actively solicit bids and proposals from small, minority and woman owned businesses. In addition, each department is required to establish internal agency level goals of small, minority and woman owned business contracting.

Disparity Study - Highlights from the Executive Summary

Findings

- Total utilization of Minority and Woman Owned firms by the state of Tennessee, across all purchasing categories, was 1.95%
- Statistically significant disparities exist in all areas of state of Tennessee contracting
- Disparities in entry into self-employment exist between non-minority males, minorities and women
- Loan denials are significantly higher for MBE/WBEs than for non-MBE/WBEs
- Disparities were found between the availability of MBE/WBEs and their utilization in the private marketplace
- The Study data supports a statistical inference of discrimination in the state of Tennessee.

Recommendations under Current Legislation

1. Continue the current Program under the Governor's Office of Diversity Business Enterprise.
2. Goals for MBE, WBE and SBEs should be more distinguishable to meet the constitutional requirement for "Narrow Tailoring", of any race or gender-based remedial action by the government. Specifically, there should be separate goals for each for the four (4) sub-categories enumerated within T.C.A. 12-3-802(3).





EXECUTIVE SUMMARY

Recommendations under Current Legislation...cont.

3. Track the attainment of goals through award data and payment data.
4. Undertake additional diversity business enterprise outreach in order to increase the pool of available firms.
5. Promote MBE/WBE/SBEs within the Tennessee marketplace and coordinate Go-DBE efforts with federal, local, and private sector initiatives.
6. Issue contracts in smaller dollar amounts where feasible.
7. Promote MBE/WBE collaboration.
8. Review procurement compliance group process.
9. Evaluate whether performance reviews are giving true weight to the attainment of MBE/WBE/SBE goals.
10. Institute annual aspirational MBE/WBE goals for construction industry in the area of sub-contracting.
11. Consider private sector initiatives.
12. Require all contractors to submit a list of all sub-contractors contacted in preparation of their response to bid and proposal packages.
13. Procurement officer training should be reviewed, evaluated, and considered for enhancement
14. Consider increasing staff at Governor's Office of Diversity Business Enterprise.
15. Create a Mentor-Protégé Program.
16. Develop additional measures to gauge the effectiveness of the state's efforts.

Recommendations Requiring New Legislation

1. Goals to be set in accordance with the availability of businesses in each business category and expand availability pool.
2. Narrow Tailoring of MBE/WBE Programs.
3. Declining schedule for race conscious remedies.
4. Mandatory sub-contracting.
5. Adjust current Legislation to clearly define the means for tracking the attainment of agency goals.
6. Consider raising the thresholds for SBE qualifications.
7. General Services and the State Treasurer should be given joint responsibility for developing a comprehensive program to ensure equal access to capital.

NOTE: A complete copy of the Comprehensive Disparity Study – Executive Summary is available at www.tennessee.gov/diversity



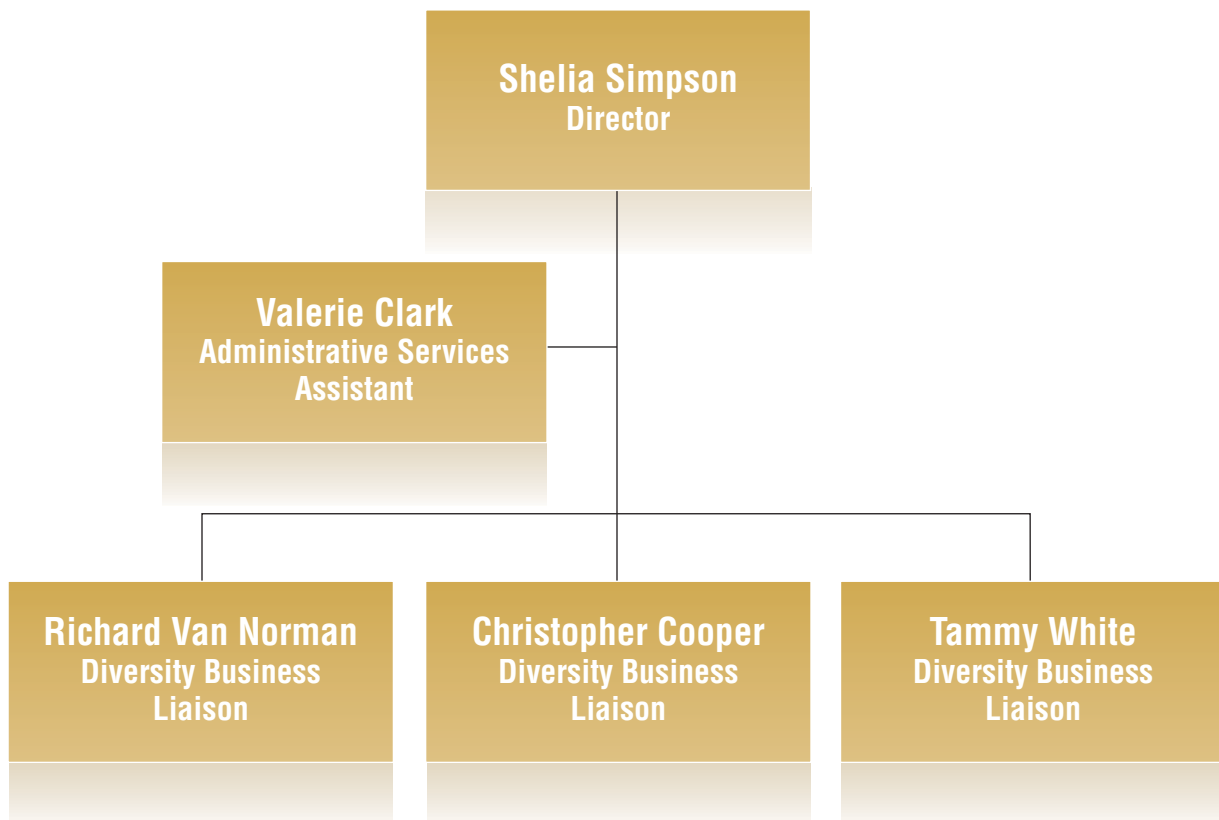


EXECUTIVE SUMMARY

Department of General Services Governor's Office of Diversity Business Enterprise



ORGANIZATIONAL CHART



PROGRAM HIGHLIGHTS AND ACCOMPLISHMENTS



PROGRAM HIGHLIGHTS

State Diversity Purchases and Contract Awards

The Governor's Office of Diversity Business Enterprise is charged with monitoring the awarding of purchase and contract awards made to diversity businesses by state agencies and departments. Overall diversity business purchase order and contract awards increased from \$77,770,449.97 in fiscal year 2007-08 to \$122,450,986.96 in fiscal year 2008-09 – a 57.45% increase. (See Chart No. 1 below)

In FY 2008-09, we captured approximately **377** purchase order awards and/or contract awards with businesses certified with Go-DBE. In addition, it is noteworthy that approximately 130 certified businesses with Go-DBE received purchase orders and/or contract awards between \$50,000 and \$5 million dollars. We also identified seven (7) businesses with awards over \$5 million dollars. (See Table 1 and Chart 2) for Top Dollar Awards:

Chart 1

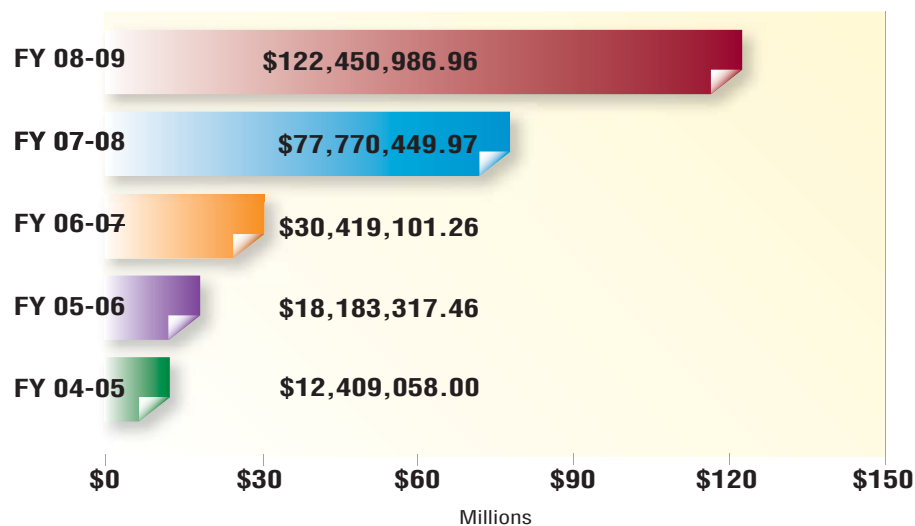
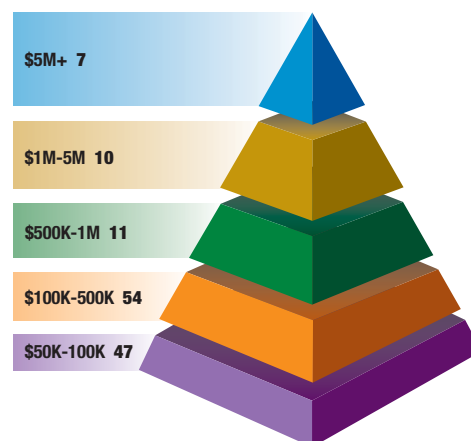


Table 1

TOP DOLLAR AWARDS	
No. of Businesses	Dollars
7	\$5M +
10	\$1M - \$5M
11	\$500K - \$1M
54	\$100K - \$500K
47	\$50K - \$100K

Chart 2





PROGRAM HIGHLIGHTS

Program Highlights



Medical Services, Inc.



Contract Awards with Diversity Businesses

Diversity in state contracting activity is best demonstrated when minority, woman owned and small businesses receive opportunities to do business with the state. The following is a list that reflects a number of certified minority, woman owned and small business enterprises that successfully competed in obtaining a purchase order or contracts during the past fiscal year.

Minority Owned Businesses:	Department or State Agency:
A J Medical Services, Inc.	Bureau of TennCare
CommunityTies of America, Inc.	Department of Mental Retardation
Flintco, Inc.	Higher Education
Gipson Mechanical Contractors, Inc.	Real Property Administration
International Systems of America, Inc.	State Building Commission
Leroy Penson Jr., dba National Cleaning System	University of Tennessee
Moody-Nolan, Inc.	State Building Commission
RJ Abstract & Translation Service	Department of Transportation
Staffing Partners	Department of Mental Health
Zycron, Inc.	Department of Finance and Administration

Note: Not all diversity businesses could be listed. The above listed firms represent a small portion of the many firms that were successful in doing business with the state



PROGRAM HIGHLIGHTS

Woman Owned Businesses:

Alicia Smith & Associates	Bureau of TennCare
Alpha Building Corporation	Tennessee Board of Regents
KS Ware & Associates, Inc.	Environment & Conservation
Long Engineering, Inc.	Tennessee Department of Transportation
Personal Computer Systems, Inc.	University of Tennessee
WKM Construction, Inc.	Higher Education
Walden Security	Department of General Services/Tourism

Small Businesses:

Advanced Restoration Technology, Inc.	Department of General Services
Branham & Lloyd, LLC	State Building Commission
Cardinal Construction Services , Inc.	Department of Military
Fellowship Construction, LLC.	Department of Military
New Century Group dba Designsensory	Department of Tourism

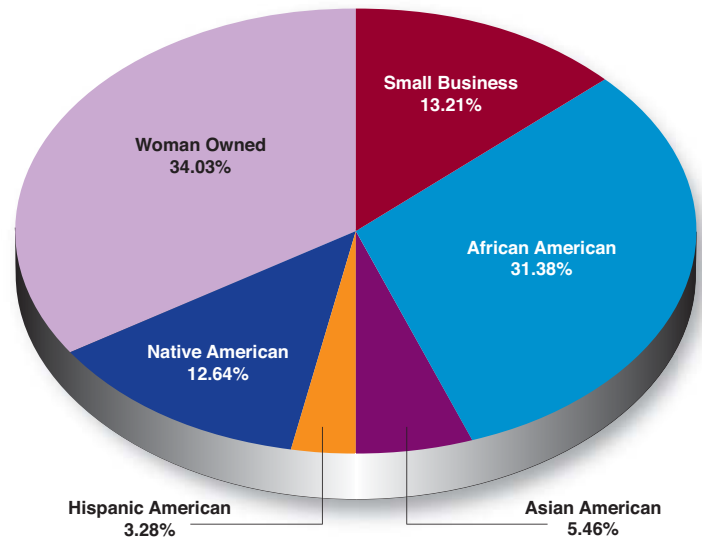
ALICIA SMITH
& ASSOCIATES, LLC





PROGRAM HIGHLIGHTS

Diversity Business Procurement Awards by Ethnicity

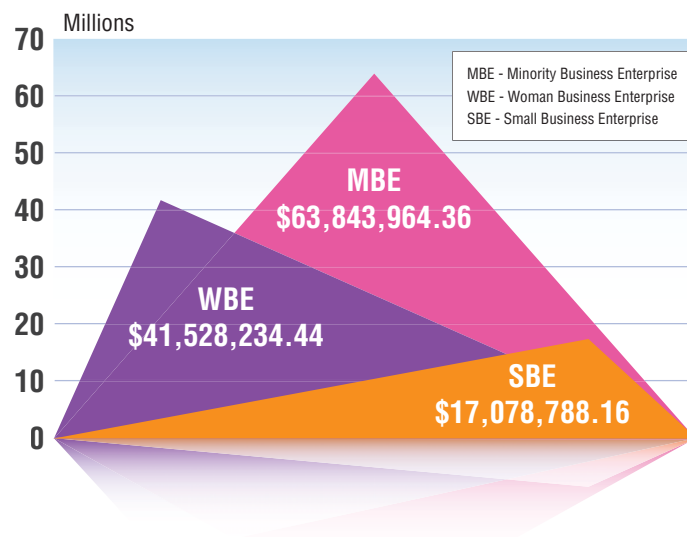


Minority Owned, Woman Owned and Small Business Participation

African American	\$ 38,430,255.91
Asian American	\$ 6,690,155.56
Hispanic American	\$ 4,012,526.59
Native American	\$ 15,473,377.39
Woman Owned	\$ 41,672,330.28
Small Business	\$ 16,172,341.23
Total	\$ 122,450,986.96

Diversity Business Procurement Awards by Category

The chart (right) reflects the total dollars of **\$122,450,986.96** awarded this past fiscal year by category.



MBE (Minority Business Enterprise) WBE (Woman Business Enterprise) SBE (Small Business Enterprise)



PROGRAM HIGHLIGHTS



Multi-year Diversity Business Contracting

The Governor's Office of Diversity Business Enterprise monitors purchases made to certified diversity businesses. In doing so, it was recognized that there are some businesses that have been successful in contracting with the state during the entire period that the program has been in existence. This can be challenging in terms of continual performance, especially in a weakening economy. We would like to recognize the firms listed below for their endurance, expertise, and hard work in performing state contracts to completion:

ALSWORX ELECTRICAL SERVICES, INC.

BOBBY OUTLAW DISPOSAL SERVICE, LLC.

BOB'S JANITORIAL SERVICE, INC.

BRIGHTER DAYS AND NITES

INTERNATIONAL SYSTEMS OF AMERICA, INC.

MITCHELL & EVERETT CONSTRUCTION, INC.

MOORE REPORTING SERVICE

NURSING RESOURCE SOLUTIONS, LLC.

OPEN COMMUNICATIONS INTERNATIONAL, INC.

OPTIMUM TECHNOLOGY, INC.

PORTER-WALKER, LLC.

SELF TUCKER ARCHITECTS, INC.

STONES RIVER ELECTRIC, INC.

THOMAS CONSULTANTS, INC.

BOBBY OUTLAW
DISPOSAL SERVICE
Clarksville, TN

931.431.7944

BRIGHTER
DAYS & NITES

ISA
Fire
Energy
Security
Communication

NRS
Nursing Resource Solutions

OptimumTechnology

PW
PORTER-WALKER

Self Tucker
Architects, Inc.

StonesRiver
COMPANIES

TCI

Note: Not all diversity businesses could be listed. The above listed firms represent a small portion of the many firms that were successful in doing business with the state.



PROGRAM HIGHLIGHTS

Registration

Diversity Business Enterprises interested in the State of Tennessee's procurement and contracting opportunities are encouraged to contact the Governor's Office of Diversity Business and complete a registration application for certification.

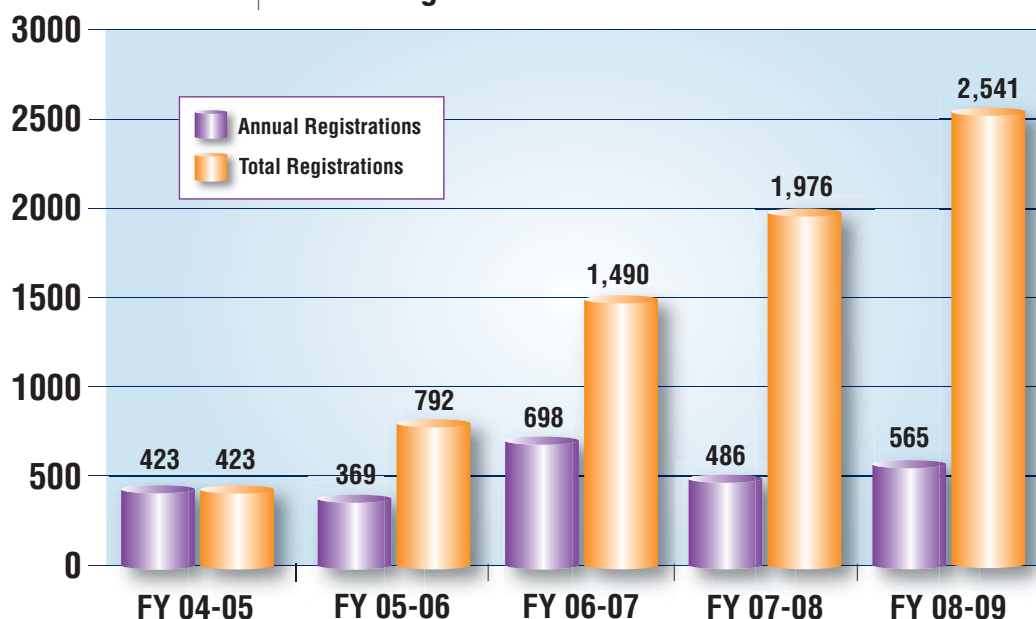
October 1, 2009 was the completion of Wave 5 for all state agencies and departments to "go live" under the implementation of Project Edison. What is Edison? Project Edison is the State of Tennessee Enterprise Resource Planning (ERP) solution that uses the latest technology to streamline the way the State does business. Edison is an integrated, user-friendly, state-of-the-art system that is used to improve virtually all of our business functions.

What does this mean for diversity businesses? Businesses certified with the Go-DBE office upon certification will receive the benefit of our partnership with the Department of General Services Purchasing Division. This joint effort ensures all certified businesses, whether seeking to get on the bidder list or looking to identify professional service contracts or seeking certification with Go-DBE, will receive the assistance of Vendor Registration Staff along with Go-DBE staff for accessing procurement information. The new on-line certification application has been developed and is available by visiting the Go-DBE web site at www.tennessee.gov/businessopp.

The chart below depicts the number of certifications processed by Go-DBE during fiscal year 2008-09 and the previous four years.



Registrations





PROGRAM HIGHLIGHTS

Certification

The Governor's Office of Diversity Business Enterprise certifies diversity businesses as minority owned, woman owned or small business enterprises. Firms desiring certification as a minority, must submit documentation to substantiate at least 51% ownership and management and control by one or more minorities as defined in TCA 12-3-801(3). Firms desiring certification as a woman owned business are required to submit documentation to substantiate at least 51% ownership and management and control by one or more women.

Firms desiring certification as a small business must substantiate they are independently owned and operated and submit documentation regarding their annual sales volume and number of employees.

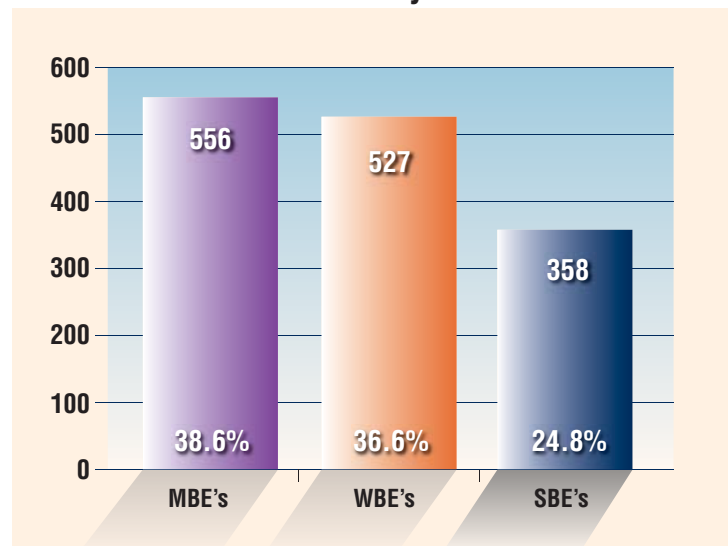
Go-DBE recognizes valid certification by other certification agencies such as the U. S. Small Business Administration, Minority Purchasing Councils, and Department of Transportation the National Association of Women Business Owners along with other local minority certification agencies. Each certified business will receive a certification letter which includes their certification number. Certifications issued by Go-DBE are valid for a period of two (2) years.

The chart below reflects the number of certified businesses for FY 2008-09.

MBE'S	556	38.6%
WBE'S	527	36.6%
SBE'S	358	24.8%
Total Certified Businesses	1,441	100.0%



Certified Diversity Businesses

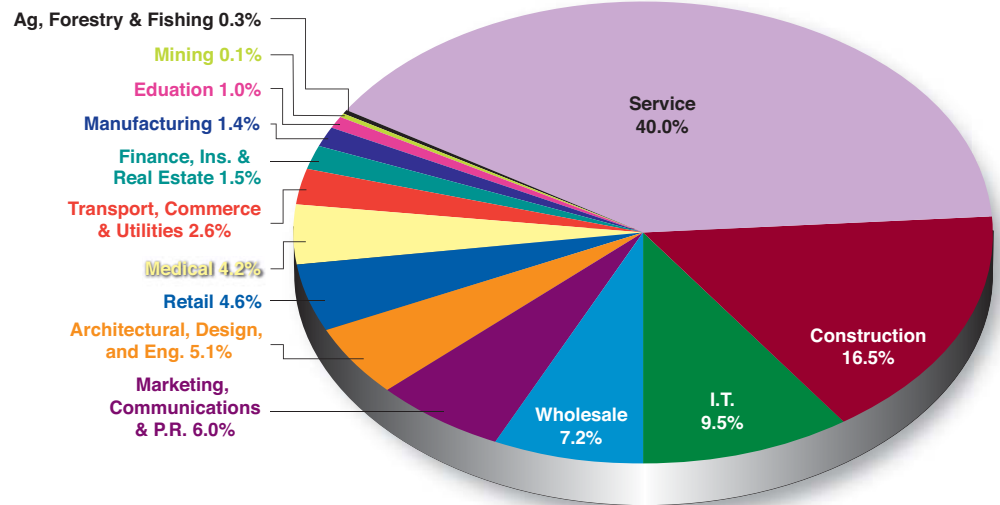




PROGRAM HIGHLIGHTS

Certification by Industry

Go-DBE publishes a directory of certified minority owned, woman owned and small business enterprises. All state departments and state agencies may visit our directory to identify diversity businesses for solicitation of bids and proposals. The directory is also utilized by local government and private sector companies to identify diversity suppliers as both prime and subcontractors. The directory is listed on the Go-DBE website at www.tennessee.gov/diversity and is updated monthly.



Industry	Quantity
Service	577
Construction	238
I.T.	137
Wholesale	104
Marketing, Communications & P.R.	86
Architectural, Design, & Eng.	74
Retail	66
Medical	61
Transport, Commerce & Utilities	37
Finance, Ins. & Real Estate	21
Manufacturing	20
Education	14
Ag, Forestry & Fishing	4
Mining	2
Total:	1,441



PROGRAM HIGHLIGHTS

Agency and Departmental Goals

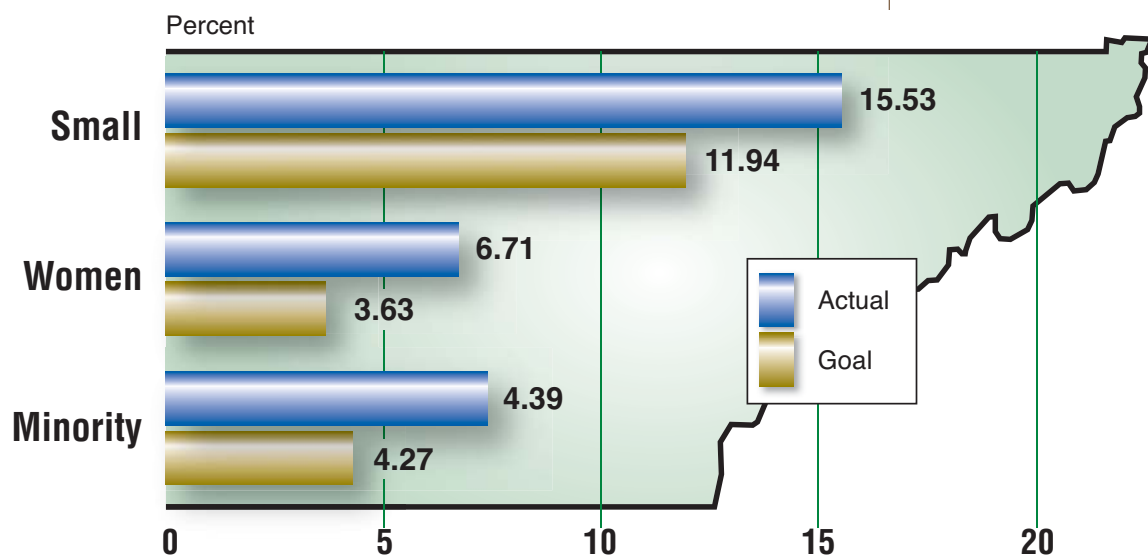
State departments and agencies efforts to achieve diversity in contracting are monitored to assist them in increasing participation of minority owned, woman owned and small businesses in their department's procurement and contracting opportunities. Reports are submitted to Go-DBE documenting each department's efforts for actively soliciting bids and proposals and identifying any contracts or subcontracts awarded to diversity businesses.

The data is compiled and reviewed by Go-DBE staff to chronicle each department's progress. Annual department or agency level internal goals have been established for small, minority and woman owned business contracting. In establishing these annual goals, each department and agency worked closely with the Governor's Office of Diversity Business Enterprise. Internal goals are based on reported levels of expenditures for the prior fiscal year and the dollar amount contracted with certified diversity businesses. Listed below are the overall agency and departmental internal goals and results for fiscal year 2008-09.



FY 08-09 Department Goals vs. Actual

	Goal	Actual
Minority	4.27%	7.39%
Women	3.63%	6.71%
Small	11.94%	15.53%
Totals	19.84%	29.63%





PROGRAM HIGHLIGHTS

The chart below lists each department's internal goal for the previous fiscal year 2008-09 and the actual accomplishment of diversity participation with business enterprises by woman owned, minority owned and small businesses:

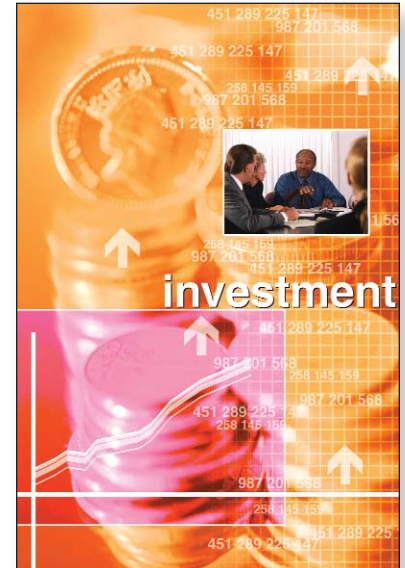
Department Name	Women %	Women FY08-09 Goal	Minority %	Minority FY08-09 Goal	Small %	Small FY08-09 Goal	Overall Goal	Actual Overall
Agriculture	3.31%	5.00%	2.05%	6.00%	26.35%	27.00%	38.00%	31.71%
Board of Probation and Parole	21.06%	2.00%	11.50%	2.00%	0.80%	5.00%	9.00%	33.36%
Board of Regents	18.83%	8.00%	3.67%	2.75%	17.42%	12.00%	22.75%	39.92%
Children's Services	8.85%	2.40%	11.24%	5.00%	13.82%	12.00%	19.40%	33.91%
Commerce & Insurance	1.07%	1.00%	3.23%	5.00%	51.23%	15.00%	21.00%	55.52%
Comptroller of the Treasury	0.70%	3.00%	0.13%	2.00%	0.38%	8.00%	13.00%	1.21%
Corrections	0.84%	3.00%	0.54%	2.50%	3.07%	5.00%	10.50%	4.46%
Economic & Community Development	1.96%	3.00%	23.68%	19.00%	28.11%	26.00%	48.00%	53.76%
Education	1.47%	1.00%	2.14%	4.00%	7.08%	3.00%	8.00%	10.68%
Environment & Conservation	10.33%	7.13%	15.20%	6.60%	23.31%	30.07%	43.80%	48.84%
Finance & Administration	4.10%	3.00%	15.94%	1.00%	2.10%	2.00%	6.00%	22.14%
Financial Institutions	8.77%	2.50%	1.98%	3.00%	2.89%	20.00%	25.50%	13.64%
General Services	12.67%	12.00%	11.77%	6.00%	6.62%	7.00%	25.00%	31.05%
Health	2.05%	4.00%	3.31%	3.00%	8.23%	15.00%	22.00%	13.60%
Higher Education	0.29%	3.00%	7.06%	3.00%	6.73%	3.00%	9.00%	14.07%
Human Resources	6.71%	9.00%	18.49%	5.00%	19.11%	30.00%	44.00%	44.31%
Human Services	4.66%	1.00%	22.49%	5.00%	9.07%	5.00%	11.00%	36.21%
Labor & Workforce	5.98%	3.00%	0.61%	8.00%	11.07%	5.00%	16.00%	17.67%
Mental Health & Developmental Disabilities	2.27%	2.00%	9.50%	5.00%	23.94%	10.00%	17.00%	35.70%
Mental Retardation	2.21%	2.00%	8.36%	7.00%	21.90%	18.00%	27.00%	32.48%
Military	3.46%	3.00%	0.73%	4.00%	52.40%	10.00%	17.00%	56.59%
Revenue	13.09%	1.00%	1.88%	2.75%	5.59%	10.00%	13.75%	20.56%
Safety	9.33%	5.00%	0.55%	4.00%	9.94%	9.00%	18.00%	19.82%
State Building Commission - Capital Improvement	3.59%	3.00%	0.47%	2.00%	11.02%	6.00%	11.00%	15.08%
TennCare	5.06%	8.00%	40.70%	5.00%	5.45%	10.00%	23.00%	51.21%
Tennessee Bureau of Investigation	1.97%	2.50%	1.23%	2.50%	9.16%	12.00%	17.00%	12.36%
Tennessee Department of Transportation	1.21%	1.00%	0.69%	2.00%	2.99%	3.00%	6.00%	4.89%
Tennessee Wildlife Resources Agency	4.77%	2.25%	2.02%	3.00%	16.99%	19.00%	24.25%	23.78%
Tourist Development	31.08%	3.00%	0.03%	1.00%	46.38%	5.00%	9.00%	77.49%
Veterans Affairs	9.67%	3.00%	0.46%	1.00%	22.76%	16.00%	20.00%	32.89%
Department Averages:	6.71%	3.63%	7.39%	4.27%	15.53%	11.94%	19.83%	29.63%

PROGRAM HIGHLIGHTS

Agency and Departments Achieving Internal Goals

Of the thirty executive branch department and agencies that report to Go-DBE, twenty-two (22) agencies were successful in achieving their aspirational goals or contracting a fair proportion of their purchases to diversity businesses. Reflected below are the departments and agencies that achieved their agency internal goals for the reporting period:

Department or Agency	Percentage of Participation with Diversity Businesses	
	Goal	Actual
Tourist Development	9.00%	77.49%
Military	17.00%	56.59%
Commerce & Insurance	21.00%	55.52%
Economic & Community Development	48.00%	53.76%
Bureau of TennCare	23.00%	51.21%
Environment & Conservation	43.80%	48.84%
Human Resources	44.00%	44.31%
Board of Regents	22.75%	39.92%
Human Services	11.00%	36.21%
Mental Health & Developmental Disabilities	17.00%	35.70%
Children's Services	19.40%	33.91%
Board of Probation and Parole	9.00%	33.36%
Veterans Affairs	20.00%	32.89%
Mental Retardation	27.00%	32.48%
General Services	25.00%	31.05%
Finance & Administration	6.00%	22.14%
Revenue	13.75%	20.56%
Safety	18.00%	19.82%
Labor & Workforce	16.00%	17.67%
State Building Commission - Capital Improvement	11.00%	15.08%
Higher Education	9.00%	14.07%
Education	8.00%	10.68%



PROGRAM REPORTING BY T.C.A.



PROGRAM REPORTING BY T.C.A.



Governor's Office of Diversity Business Enterprise Participation Purchase Order and Contract Awards

Fiscal Year 2008-2009

12-3-808(a) — The commissioner shall annually report, on or before each December 31, to the governor and to each member of the general assembly concerning the awarding of purchases to minority owned, woman owned and small businesses and the total value of awards made during the preceding fiscal year under the provisions of this part. The commissioner shall also include in such annual report **the number, by category, of minority owned, woman owned and small businesses solicited; the number of bids received, by category, from minority owned, woman owned and small businesses; and the dollar amount of purchases awarded, by category, to minority owned, woman owned and small businesses.**



Minority Owned Business

	Number of Solicitations	Number of Bids Received	Dollar Amount of Awards
Purchase Order Awards	17,123	4,917	\$11,443,735.57
*Contract Awards			\$63,843,964.36
Totals			\$75,287,699.93

*New reporting requirement. Contracts awarded are manually tracked under the **Governor's Office of Diversity Business Enterprise** new program initiatives. Information Systems Tracking Program is currently being developed to track future information regarding solicitations and the number of Request for Proposals (RFP's) received.

Woman Owned Business

	Number of Solicitations	Number of Bids Received	Dollar Amount of Awards
Purchase Order Awards	15,833	12,042	\$26,384,123.97
*Contract Awards			\$41,528,234.44
Totals			\$67,912,358.41

*Contracts awarded and manually tracked under **Governor's Office of Diversity Business Enterprise** new program initiatives. An Information Systems program is currently being developed to track Solicitations and the number of Request for Proposals (RFP's) and total service contracts awarded by departments.

Small Business

	Number of Solicitations	Number of Bids Received	Dollar Amount of Awards
Purchase Order Awards	31,330	22,542	\$67,740,578.36
*Contract Awards			\$17,078,788.16
Totals			\$84,819,366.52

*Contracts awarded and manually tracked under **Governor's Office of Diversity Business Enterprise** new program initiatives. An Information Systems program is currently being developed to track Solicitations and the number of Request for Proposals (RFP's) and total service contracts awarded by departments.



PROGRAM REPORTING BY T.C.A.

**Governor's Office of Diversity Business Enterprise Participation
Minority Owned Business Solicited for State Procurement
Opportunities**

Fiscal Year 2008-2009

12-3-808(b) — In annually reporting the information on minority owned, woman owned and small businesses, based upon information provided by vendors, the commissioner shall, in a separate section of the report, indicate the **number of businesses solicited within each of the four (4) subcategories enumerated within § 12-3-802(3), the number of bids received from each of the four (4) subcategories enumerated within § 12-3-802(3), and the total number and dollar amount of all purchases awarded within each of the four (4) subcategories enumerated within § 12-3-802(3).** For purposes of evaluation, the report shall also indicate the total number and dollar amount of all purchases by all state agencies during the reporting period.

Solicitation of Minority Businesses by Subcategories	Number of Solicitations	Number of Bids Received	Number of Awards	Dollar Amount of Awards
African American	10,841	3,022	7,425	\$ 4,653,121.52
Asian American	3,074	468	2,067	\$ 5,147,121.52
Hispanic American	1,747	426	1,057	\$ 573,602.60
Native American	1,461	618	1,007	\$ 1,069,709.26
Totals	17,123	4,534	11,694	\$11,443,554.90



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